

Business Leaders Share Strategies to Overcome Current Economic Challenges

WorldNet's President and economist Heidie Calero share their visions with the group



San Juan, PR – Over 25 business leaders met recently to share their strategies for facing current economic challenges in the island's business environment. The gathering, organized by WorldNet, allowed them to talk about *Major Trends Shifting the Business Landscape*. After a brief Introduction by WorldNet's CEO David Bogaty and an Economics Presentation by Heidie Calero of H. Calero Consulting Group, Inc., the attending CEO's were asked to choose their two main business challenges. They were divided into groups to discuss the top four major topics from the answers they provided.

Here is a summary of their best practices and suggestions to address the main challenges they face in their own businesses:

I. Finding (and keeping) talent

Delineate your business vision and mission. Both should be part of your company profile. Challenge your associates and staff to identify business opportunities for growth. Use committees and cluster groups to come up with solutions and new markets. Generate competition among them to highlight most valuable contributions.

II. Accelerating business growth

The key lies in making alliances; identifying export markets; challenging your personnel and training them to understand that problems constitute business opportunities.

III. Dealing with rising costs and declining consumer spending

Establish and regularly revise your inventory controls. Invest in re-engineering processes; invest in technology. Use networks to tap on consumer behavior. Adopt and continuously enhance your value proposition for consumers.

IV. Addressing fast paced changes in business models, structure, and processes

Understand client needs not just your business project. Provide service and training in that area. Revise your technology budget to accommodate it to your changing needs. Keeping abreast of new processes will make your business structure more agile. Document them so everybody knows how to proceed. Engage your employees and empower them to consider the business their "business".



How To Overcome The Challenges

Demonstrating that local business leaders are creative in their search for business growth, participants shared best practices such as:

- Partnering with non-traditional allies;
- Switching to selling solutions instead of products, adding value to their proposal;
- Using non-traditional channels of sale;

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- Investing in new technology to increase competitiveness and efficiency;
- Re-engineering and streamlining processes;
- Empowering employees to better serve clients; and
- Reviewing and reinterpreting data to better understand customer's needs.

Business leaders also explained how they are reaching out to new markets in the Caribbean, and how technology can be key to exporting products and services.

Regarding the decline in consumer spending, participants mentioned that using data gathered from social networks could help businesses understand consumer behavior and address needs and desires -- even inspiring new advertising approaches.

As for the task of hiring and keeping the best talent for these challenging times, suggestions included asking the best performers to invite their friends to apply for positions available -- the logic behind this idea being that top performers tend to relate with people like them, and thus can attract high achievers to the company. ■



A View of the Landscape

In her presentation, economist Calero shared key economic facts to help understand the island's present situation and make projections for the upcoming decade. "To move in the right path, we need our leaders to make difficult decisions by executing reforms in four critical areas: tax structure, labor market, education system and welfare dependency." She projects that if the annual economic growth reaches 3.3%, the island could return to 2005's GNP by 2018. However, given the current growth percentage (1%), that would happen by 2026. Some of the strategies Calero described as critical for the island include incentivizing work, not dependence; decentralizing education; and transforming the island into a hub for innovation and technology by expanding the base of citizens with access to broadband.

On the other hand, David Bogaty, WorldNet's founder and president, shared his ideas for facilitating business growth by integrating technology. According to Bogaty,

the scenario is complicated as the recession happens as the same time as a cultural shift and a technological revolution that demands constant updating. "To accelerate our goals, we can't continue viewing technology as an exclusive task of the IT department, but rather as a critical subject for those responsible of decision making," he added.

He emphasized on the need for leaders to have a strategic vision so as to avoid falling into a technology trap. "We can not afford to upgrade technology every six months -- budgets cannot take it and the learning curve is paralyzing. Leaders need to make sure they aren't over-investing or acquiring the wrong technology for their businesses. Instead, they should invest strategically aligning new technology to business goals".

As an example of how technology can help business growth, he mentioned the strategic use of data bases, which are a powerful

information tool that facilitates wise decision-making regarding product development, consumer behavior and market analysis. By collecting and analyzing data already available, whether internally or through the Internet, data bases make it easier and more efficient for a leader to come up with precise and effective business strategies. "This is an example of how critical the strategic selection of technology is."

Bogaty closed the session with an invitation to his industry colleagues. "Technological companies can't remain outside this loop; they need to become allies in the search for solutions and to show how they can help in generating growth," he suggested. On the other hand, "companies need to engage technology vendors as team members, and to ask them to factually demonstrate how their technology will accelerate business goals. Decisions should not be based solely on price, but on how technology will take you where you want to go", he added.